



ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY

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**MINUTES OF THE 94th MEETING OF THE
ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY
BOARD OF DIRECTORS
LITTLE ROCK, ARKANSAS
NOVEMBER 17, 2000**

CALL TO ORDER

The meeting was called to order at 1:34p.m. by Dr. Joel Anderson, Chairman of the Board, in the conference room of Pulaski Technical College's Workforce Development Building in Little Rock.

A quorum of Board members was present and included: Dr. Joel Anderson, Dr. Gene Aist, Dr. Mary Good, Mr. J. Wylie Harris, Mr. D.W. May, Ms. Sue McGowan, Mr. Ron Roberts, and Ms. Melinda Saunders.

Staff members present included: Ms. Melissa Adams, Dr. John Ahlen, Mr. Bob Alvey, Ms. Michelle Bell, Mr. Kevin Carr, Ms. Namratha Hegde, Mr. Les Lane, Dr. Herb Monoson, and Mr. Chuck Myers.

APPROVAL OF MINUTES

Dr. Anderson presented the minutes from the September 15, 2000 Board meeting. Dr. Good made a motion for the approval of the minutes. Mr. May seconded the motion; the Board gave its unanimous approval.

Dr. Anderson presented the minutes from the June 22, 2000 Executive Committee meeting. Mr. Roberts made a motion for the approval of the minutes. Ms. McGowan seconded the motion; the Board gave its unanimous approval.

PRESIDENT'S REPORT

John Ahlen introduced Edith Moland, Administrative Assistant to Kelly Boyd, the Authority's liaison in the Governor's Office.

Dr. Ahlen reported that one of the TTAG projects approved was from three young men who developed a new software package involving splitters, for splitting and saving computer files. Their company, ECHO, received \$2,500 from the Authority's TTAG

program. All three young men are graduates of the Arkansas School for Mathematics and Sciences and are currently attend the Cyber College at UALR.

The Governor presented the TTAG award to the company on November 8. On another note, UALR Chancellor Charles Hathaway agreed to match the award dollar for dollar.

The Authority's budget request for the 2001-2003 biennium was submitted. The Authority's budget received a friendly review by the legislative budget committee. The Authority received a gubernatorial recommendation on its budget.

Dr. Ahlen reviewed the program portfolio. After reviewing the program portfolio, discussion followed concerning the Seed Capital Investment Fund. Mr. Roberts stated that the SCIP is not a mechanism that has been fully utilized, with only 28 companies being funded over the past twelve years. This program could be a mechanism for e-commerce companies.

Mr. Lane pointed out that the program rules state that a 3-1 match is required. Before a proposal can be brought to the Board for approval, the company has to show they can meet the match. Companies are not always able to do this.

It was suggested that the staff and Board should review the policy and find a way to improve the mechanism.

There being no further discussion, Dr. Anderson asked that the staff work with the Investment Committee on reviewing the rules of the Seed Capital Investment Fund and develop any recommendations for the full Board's review.

RESEARCH COMMITTEE REPORT

Draft Resolution 01-06 would provide for the funding of two basic research proposals.

PROPOSAL NO. 01-B-03, "Immunotherapy and immunologic mechanisms underlying resolution of warts using intralesional skin test antigens," by Dr. Sandra Marchese Johnson and Dr. Thomas D. Horn of the University of Arkansas for Medical Sciences, in the amount not to exceed \$38,100.00.

PROPOSAL NO. 01-B-11, "Molecular Classification of Chronic Lymphocytic Leukemia by Gene Expression Profiling," by Dr. Steven A. Schichman, Dr. Clive S. Zent and Dr. John Dr. Shaughnessy, Jr. of the University of Arkansas for Medical Sciences, in the amount not to exceed \$50,400.00

Mr. Roberts made a motion for the approval of Draft Resolution 01-06. Dr. Good seconded the motion; the Board gave its unanimous approval.

Draft Resolution 01-07 would provide for the funding of one basic research proposal.

Proposal No. 01-B-04, "New and Improved Methods for Measuring Disinfectants and Disinfection By-Products in Drinking Water," by Dr. Gary L. Emmert of Arkansas State University, in the amount not to exceed \$43,126.00.

Mr. May made a motion for the approval of Draft Resolution 01-07. Mr. Roberts seconded the motion; the Board gave its unanimous approval.

Draft Resolution 01-08 would provide for the funding of one basic research proposal.

Proposal No. 01-B-08, "Object-Oriented Simulation of Supply Chain Networks," by Dr. Manuel D. Rossetti of the University of Arkansas at Fayetteville, in the amount not to exceed \$41,889.00.

Mr. Roberts made a motion for the approval of Draft Resolution 01-08. Ms. McGowan seconded the motion; the Board gave its unanimous approval.

Draft Resolution 01-09 would provide for the funding of one basic research proposal.

Proposal No. 01-B-16, "Acquisition of an HPLC System for Plant Science Research," by Dr. Stephen Grace of the University of Arkansas at Little Rock, in the amount not to exceed \$52,844.00.

Mr. Roberts made a motion for the approval of Draft Resolution 01-09. Mr. May seconded the motion. Dr. Anderson and Dr. Good stated that UALR was the institution of their affiliation. The Board gave its unanimous approval.

Draft Resolution 01-10 would provide for the funding of four Arkansas Research Matching Fund projects.

Proposal No. 01-ARMF-06, "The Arkansas Plan for Enhancement of Aerospace Research and Economic Development," by Dr. M. Keith Hudson, of the University of Arkansas at Little Rock in the amount not to exceed \$232,825. This project is funded federally by a National Aeronautics and Space Administration grant in the amount of \$400,000.

Proposal No. 01-ARMF-08, "Arkansas EPSCoR Cooperative Agreement," by Dr. John G. Hehr, of the University of Arkansas, Fayetteville, in the amount not to exceed \$731,872. This project is funded federally by a National Science Foundation grant in the amount of \$731,872.

Proposal No. 01-ARMF-09, "Center for Protein Structure and Function," by Dr. Frank S. Millett and Dr. Roger E. Koeppe, of the University of Arkansas, Fayetteville, in the amount not to exceed \$575,000. This

project is funded federally by a National Institutes of Health grant in the amount of \$1,874,433.

Proposal No. 01-ARMF-10, "Arkansas Center for Nanodevices (ACEND)," by Dr. Yujie J. Ding, of the University of Arkansas, Fayetteville, in the amount not to exceed \$500,000. This project is funded federally by a National Science Foundation grant in the amount of \$500,000.

Ms. McGowan made a motion for the approval of Draft Resolution 01-10. Dr. Good seconded the motion. Dr. Anderson and Dr. Good stated that UALR was the institution of their affiliation. The Board gave its unanimous approval.

Dr. Ahlen stated that this was the fourth resolution for the ARMF awards. To date, the Governor's Office has a total of \$3.3 million for ARMF projects. No other funds have been released. A letter was written to Principal Investigators stating that funds may not be available through the current fiscal year.

Dr. Good stated that the ARMF was one of the most progressive acts in the state to further research. She stated that this program should be a priority.

After further discussion, Dr. Good made a motion that the Board draft a resolution to the Governor urging him to consider the importance of the Arkansas Research Matching Fund and finding the necessary funds to support the program. Mr. May seconded the motion; the Board gave its unanimous approval.

Board members expressed interest in receiving information about past research projects that have been funded. Board members stated that would like to know if the money being awarded to research projects is money well spent. Dr. Ahlen stated that the staff would develop a summary report for Board members.

INDUSTRY COMMITTEE REPORT

Ms. McGowan presented the Investment Committee report.

Draft Resolution 01-11 would provide a technology development investment in one project:

Application No. 00-TDP-08, "Development of a New Commercially Viable 4-Way Reversing Valve for Heat Pumps," submitted by the University of Arkansas, Fayetteville, in an amount not to exceed \$50,000.

Funding this proposal would further the development of a novel reversing valve that can be used with any heat pump system. The reversing valve enables a heat pump to operate in either the heating mode or cooling mode by switching the refrigerant flow through the indoor and outdoor coils.

This investment would allow the university to develop a commercially viable prototype, address optimal manufacturing techniques and target an Arkansas based company to assist with commercialization of the valve.

The project has received favorable technical reviews.

There being no further discussion, Ms. McGowan made a motion for the approval of Draft Resolution 01-11. Mr. Harris seconded the proposal. The Board gave its unanimous approval.

INDUSTRY COMMITTEE REPORT

Mr. May gave the Industry Committee report.

The Industry Committee met on November 1 and discussed at length the QTR report from NIST. The network is operating below the national average. The panel recommended that there be a transition analysis done to determine if the network should be moved to another agency.

The committee felt that the Network should not be moved. There are changes that need to be made, but the committee felt that changes could be implemented at the Authority. Mr. May stated that the committee notified the NIST review panel of this decision and is awaiting a response from them.

Mr. May presented one additional item of business, amendment of Resolution 00-32. The amendment increased the funding amount for Arkansas State University from \$107,180 to \$123,180. The increase was requested to cover unanticipated costs associated with Six Sigma training for ASU's field engineer.

There being no discussion, Mr. May made a motion for the approval of the amendment. Ms. Saunders seconded the motion; the Board gave its unanimous approval.

NEW BUSINESS

Dr. Anderson made committee assignments for the upcoming year. They are as follows.

Executive Committee: Joel Anderson, D.W. May, Melinda Saunders, Harry Ward and Joe Hudson.

Research Committee: Harry Ward, Chair; Merlin Augustine; Charles Hathaway.

Investment Committee: Joe Hudson, Chair; Gene Aist; Jonathan Davis; J. Wylie Harris, Jr.; Sue McGowan.

Industry Committee: D.W. May, Chair; Mary Good, Ron Roberts, Melinda Saunders.

Board meeting dates for 2001 were provided to the members. They are: January 19, March 16, May 18, September 21 and November 16.

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned.

Respectfully submitted,



Melinda Saunders
Secretary
Board of Directors

Approved by the Board of Directors
on this 19th day of January, 2001



Melinda Saunders
Secretary
Board of Directors